Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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## WIRELINE COMPETITION BUREAU SEEKS COMMENT ON AT&T'S PETITION FOR RULEMAKING TO REFORM REGULATION OF INCUMBENT LOCAL EXCHANGE CARRIER RATES FOR INTERSTATE SPECIAL ACCESS SERVICES

RM No. 10593

Comments Due: December 2, 2002

Reply Comments Due: December 23, 2002

On October 15, 2002, AT&T Corp. (AT&T) filed a Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services, pursuant to section 1.401 of the Commission's rules. <sup>1</sup> According to AT&T, large incumbent local exchange carriers (ILECs) retain pervasive market power in the provision of special access services. AT&T alleges that these carriers are abusing that market power with "patently unjust and unreasonable rates" that "severely harm both local and long distance competition." AT&T states that the Commission's existing rules are not capable of addressing this problem and only exacerbate the problem. Accordingly, AT&T requests that the Commission promptly initiate a rulemaking to reform regulation of price cap ILEC rates for interstate special access services.

AT&T also asks the Commission to adopt interim relief, pending completion of the rulemaking. In particular, AT&T requests that the Commission: (1) reduce all special access rates subject to Phase II pricing flexibility to levels that would produce an 11.25% rate of return; and (2) impose a moratorium on consideration of further pricing flexibility applications pending completion of the rulemaking.<sup>3</sup> AT&T also asks that the Commission "specify that access

<sup>&</sup>lt;sup>1</sup> In the Matter of AT&T Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services, RM No. 10593, Petition of AT&T (filed Oct. 15, 2002) (AT&T Petition). See 47 C.F.R. § 1.401.

<sup>&</sup>lt;sup>2</sup> AT&T Petition at 1.

<sup>&</sup>lt;sup>3</sup> *Id*.

purchasers may take advantage of this interim relief without triggering any termination liabilities or other penalties in the Bells' optional pricing plans."<sup>4</sup>

We seek comment on AT&T's petition for rulemaking.

Pursuant to 47 C.F.R. § 1.405, interested parties may file comments no later than December 2, 2002. Interested parties may file reply comments no later than December 23, 2002. **All responsive filings must reference the rulemaking number of this proceeding, RM No. 10593.** Comments and reply comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies.

Comments and reply comments filed through the ECFS can be sent as an electronic file via the Internet to <a href="http://www.fcc.gov/e-file/ecfs.html">http://www.fcc.gov/e-file/ecfs.html</a>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the filing to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic copy by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to <a href="https://ecfs.gov">ecfs@fcc.gov</a>, and should include the following words in the body of the message: "get form <your email address>." A sample form and directions will be sent in reply. Commenters also may obtain a copy of the ASCII Electronic Transmittal Form (FORM-ET) at <a href="http://www.fcc.gov/e-file/email.html">http://www.fcc.gov/e-file/email.html</a>.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Vistronix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12<sup>th</sup> Street, S.W., Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

Regardless of whether parties choose to file electronically or by paper, parties should also file one copy of any documents filed in this docket with the Commission's copy contractor, Qualex International, Portals II, 445 12<sup>th</sup> Street S.W., CY-B402, Washington, D.C. 20554 (telephone 202-863-2893; facsimile 202-863-2898) or via e-mail at qualexint@aol.com. In

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<sup>&</sup>lt;sup>4</sup> *Id*.

addition, one copy of each submission must be filed with the Chief, Pricing Policy Division, Wireline Competition Bureau 445 12<sup>th</sup> Street, S.W., Washington, D.C. 20554. Documents filed in this proceeding will be available for public inspection during regular business hours in the Commission's Reference Information Center, 445 12<sup>th</sup> Street, S.W., Washington, D.C. 20554, and will be placed on the Commission's Internet site.

This proceeding will be governed by "permit-but-disclose" *ex parte* procedures that are applicable to non-restricted proceedings under section 1.1206 of the Commission's rules.<sup>5</sup> Parties making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must contain a summary of the substance of the presentation and not merely a listing of the subjects discussed. More than a one- or two-sentence description of the views and arguments presented generally is required.<sup>6</sup> Other rules pertaining to oral and written presentations are set forth in section 1.1206(b) as well. In addition, interested parties are to file any written *ex parte* presentations in this proceeding with the Commission's Secretary, Marlene H. Dortch, 445 12<sup>th</sup> Street, S.W., TW-B204, Washington, D.C. 20554, and serve with three copies each: Pricing Policy Division, Wireline Competition Bureau, Attn: Kathy O'Neill, 445 12<sup>th</sup> Street, S.W., Washington, D.C. 20554. Parties shall also serve with one copy: Qualex International, Portals II, 445 12<sup>th</sup> Street, S.W., Room CY-B402, Washington, D.C. 20554, (202) 863-2893.

For further information, contact Kathy O'Neill, Pricing Policy Division, Wireline Competition Bureau, (202) 418-1520.

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<sup>&</sup>lt;sup>5</sup> 47 C.F.R. § 1.1206.

<sup>&</sup>lt;sup>6</sup> See 47 C.F.R. § 1.1206(b)(2).